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RECENT TIGHTENING of FAA security rules is causing problems for legitimate operators and some safety inspectors. FAA officials acknowledged that some of the agency's own inspectors while attempting to conduct ramp inspections following check rides, have been challenged by security personnel at the destination airport for failing to display the proper ID badge.

CAMPAIGN HEADQUARTERS of Republican Presidential candidate George Bush has released a statement saying Bush supports "more economic deregulation, less government interference, and greater public-private cooperation" for the nation's air transportation system. The campaign said it is preparing a detailed aviation policy which will be released "soon."

FLOOR ACTION on S.1600 to create an independent FAA is expected to take place shortly after the Senate returns July 25 from this week's recess for the Democratic National Convention.

NAVI, FAIRCHILD MANAGEMENT GROUP OFFERS FOR GMF REJECTED

Fairchild Aircraft owner GMF Investments, Inc. last week rejected separate tender offers for the company from North American Ventures Inc. (NAVI) and a group composed of former top management officials and has taken the company off the market, according to Chairman Gene Morgan.

NAVI, which said it had reached a definitive agreement to acquire GMF for $20 million, plus liabilities, last month (BA, June 27/201), owns Butler Aviation and Butler Services Group. Morgan said Fairchild "is too valuable an entity" that is poised for an emerging growth cycle in the regional airline industry. "I think there are follow-on aircraft that can be built and we have a clear shot at that business." Morgan said he originally thought "Fairchild earnings could benefit NAVI and that there would be some synergy with Butler Aviation and Butler Services Group. After NAVI disclosed information of the sale prematurely, I simply determined it is not in the company's best interest to consider any of these tenders."

Company also rejected a $22 million offer, plus liabilities, from a group headed by Tom Smith, former president of Fairchild. Smith, and other members Dave Bartles, executive vice president of operations and John Herbots, vice president of finance were fired last month over "significant philosophical differences" with the board over key management decisions." Group also includes James Foody, vice president of sales, who resigned at the same time.

Also, a comprehensive class-action lawsuit has been filed on behalf of some 2,500 investors, which charges North American Holdings, North American Investment Corp., and GMF with securities violations that include forgery, fraud, breach of contract, conspiracy, and violations of several federal and state securities laws. It also charges receipt of secret commissions and manipulation of stock prices. The suit charges that Morgan "failed to disclose material facts, omitted material facts or misrepresented material information" about the relationship with North American companies and the Kopko brothers, including the fact that Morgan and the Kopkos "were partners, shareholders, or officers in the entity which purchased Fairchild in 1987 for $50 million." Frederick Kopko is a member of the boards of directors of both NAVI and GMFI; Edward Kopko is chairman of the board of NAVI. The suit also holds that Edward Kopko, as part of a weekly process, "intentionally initiated rumors and/or disseminated false information about stocks underwritten by North American Investment."

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1988 BUSINESS JET ACCIDENTS/INCIDENTS

DATE	MODEL	DESCRIPTION	REGN	STATE	OPER	FTL	DAM *
88-01-08	L-36A	Collided with terrain during approach	N79SF	LA	Comm	2	D
01-17	HS-125	Descent below glide path ILS approach in IMC	NXA-KUT	TX	Comm	1	D
01-21	DA-10	Overshot landing following inflight emergency	N79PB	TX	Corp	-	S
02-01	DA-20	Struck deer landing, nose gear collapse	N287W	WV	Bus	-	S
02-04	L-55	Drifted off rwy. side. Braking action poor	N760G	NY	Corp	-	M
02-22	L-1329	Landed 6900 ft. down 7250 ft. rwy., overshoot	N90KR	MI	Corp	-	M
02-24	L-25C	Power loss both engs. app. training	PT-KKV	Brazil	Comm	2	D
02-28	L-25B	Bird strike at V2, abort, overshoot	N800DR	-	Corp	-	S
04-30	HS-125	Struck deer takeoff. Abort	N27RC	FL	Bus	-	S
05-16	CE-550	Flap separation during cruise flight	N81SH	PA	Comm	-	M
05-18	L-35	Nose gear collapsed during landing roll	N508P	NC	Corp	-	M
05-24	L-35A	Crash during initial climb. Circumstances unk.	N500RW	NJ	Comm	4	D
05-28	L-36A	Unauthorized 5 hr. flight by mtnce. technician	-	CO	Comm	1	N

Source: Robert E. Breiling Associates

Information presented is based on preliminary reports and may change as the investigation continues.

* N - None; M - Minor; S - Substantial; D - Destroyed

ROBERT E. BREILING ASSOCIATES

THIRTEEN BUSINESS JET ACCIDENTS REPORTED DURING QUARTER -- Thirteen accidents or incidents involving business jet aircraft were reported during the second quarter of 1988, according to information supplied by Robert E. Breiling Associates, Inc. A brief description of the past quarter's accidents/incidents, along with similar information on incidents involving business turboprops, helicopters, and aircraft used by the commuter/regional operators, is shown in charts on the back of Pages 18-21. Breiling Associates has specialized in the compilation and analysis of business aircraft accident statistics for approximately 20 years. The company has published, and has available for sale, a number of comprehensive reports on different aspects of business aviation operations. These include Business Jet Accident Analysis for Corporate Aviation, Annual Turbine Aircraft Accident Review, Business Turboprop Accident Analysis, and Twin Turbine Helicopter Accident Analysis. For more information, contact the company at: 6020 N. Federal Highway, Suite 4, Boca Raton, Fla., 33487; (407) 997-2580.

SENATE INCLUDES MASSPORT PROVISION IN DOT FUNDING BILL -- DOT funding legislation for fiscal 1989, which the Senate passed last week by a vote of 91-6, includes a revised Massport provision, the result of a compromise between Sen. Warren Rudman (R-N.H.) and Sen. Edward Kennedy (D-Mass.). Supporters of the Massport grant prohibition had been fearful that Kennedy would object to the measure, thereby requiring 60 votes to overturn the procedural objection.

New amendment strikes language in the bill offered by the Appropriations Committee which would cut off federal funds to the Massachusetts Port Authority if it fails to delay implementation of the PACE plan prior to determination by the Department of Transportation that the fee schedule does not violate Federal law. In introducing the revised amendment, Rudman said "while I regret that Massport has declined to delay implementation as requested by DOT, I do not believe it is truly reasonable to cut off funds if the Department eventually rules in Massport's favor." Rudman said the revised amendment cuts off funds to Massport "only if the Department rules that the fee schedule is in violation of Federal aviation law or not consistent with national transportation policy and the PACE plan stays in effect." The provision requires a ruling from DOT by Dec. 5.

Kennedy said that while he "supports the Massport plan as a good faith attempt" to resolve airspace and capacity problems, and is "optimistic that DOT will agree that the Massport plan is consistent with the aviation statutes and with national aviation policy," he is aware "that decisions made at Massport obviously have implications not only for the region but nationally." Sen. Gordon Humphrey (R-N.H.), speaking in support of the amendment, said while he is not opposed to adjusting fees for all aircraft, "it is the fairness of the total plan which is important." Humphrey said "if Massport's PACE plan becomes fully operative, it could set a precedent for airport authorities nationwide. If fees are set so high as to restrict access, it would hurt the national air transportation system." Sen. Nancy Kassebaum (R-Kan.) said while Massport will affect all classes of aircraft, "the effects will be felt most by general aviation and commuter aircraft." Kassebaum said by requiring DOT to look at the PACE plan, "we emphasize our concern that DOT consider the needs of all those who operate aircraft."

Bill provides $6.5 billion for FAA, including $3.44 billion for operations, $1.54 billion for facilities and equipment, a $1.33 billion limitation on obligations for the Airport Improvement Program, $160 million for research, engineering and development, and $37 million for administration.

AERO COMMANDER PILOT'S LICENSE FOLLOWING 'RECKLESS OPERATION' -- The pilot of an Aero Commander 1121, N-number N34SW, has had his license revoked on an emergency basis for what the Federal Aviation Administration termed "a reckless operation endangering the life and property of another." George Demar, of East Quoque, N.Y., was ordered to surrender his certificate to the FAA because, according to the order, "it appears you are no longer qualified to exercise the privileges of a commercial pilot certificate. Therefore, the Administrator finds that safety in air commerce or air transportation and the public interest require the (immediate) revocation of your certificate." Demar was accused of acting as pilot-in-commander of the aircraft without his current certificate, operating on runways at Baltimore-Washington Airport without establishing two-way radio contact with air traffic control, and taking off from BWI without clearance thereby requiring a Boeing 757 to execute a missed approach to avoid collision. FAA also said the aircraft at the time was unworthy because of a shattered windshield. Demar has 10 days to file an appeal.

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1988 BUSINESS TURBOPROP ACCIDENTS/INCIDENTS

DATE	MODEL	DESCRIPTION	REGN	STATE	OPER	FTL	DAM *
88-01-10	SA-226T	Aircraft rolled inverted on liftoff	N800AW	MI	Corp	3	D
01-16	BE-90C	Landing gear collapsed landing	N7257P	KS	Comm	-	S
01-18	PA-31T	Hit trees, house during instrument app.	N200RS	AL	Bus	-	D
01-20	MU-2B	Acft. pitched & rolled after takeoff	N349MA	NJ	Comm	-	N
02-11	CE-425	Crashed executing missed app. IMC	N6771Y	FL	Bus	1	D
02-12	MU-2B	Structural damage due turbulence	N339MA	PA	Comm	-	S
02-16	CE-441	Near miss during IFR approach in IMC	N1WB	CO	Bus	-	N
02-18	PA-31T	Decompression at FL270. Window failed	N2645Z	CO	Comm	-	M
03-07	PA-31T	Near miss during controlled climbout	N484SC	IL	Corp	-	N
03-15	G-159	Hyd.sys.malf.Steering/brake loss landing	N750BR	Swiss	Corp	-	S
03-28	CE-425	Gear door separation during cruise	N74JW	NC	Pers	-	S
04-05	BE-90	Exp. uncontrolled hardover, descent	N181LL	MN	Comm	-	S
04-06	MU-2	Landed with landing gear retracted	N10MR	TX	Comm	-	S
05-10	BE-200	Near miss during approach	N1065T	IL	Corp	-	N
05-14	MU-2	Aircraft crashed on TO. Unknown cause(s)	N9654M	-	Comm	3	D
05-17	690A	Impacted terrain during night app.in VMC	N660RB	AR	Comm	1	D
06-08	690C	Fuel exhaustion during approach	N47TT	CA	Bus	-	S
06-16	685	Aircraft settled after TO. Struck terrain	N165SE	AR	Bus	-	S

Source: Robert E. Breiling Associates

Information presented is based on preliminary reports and may change as the investigation continues.

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1988 TURBINE HELICOPTER ACCIDENTS/INCIDENTS

DATE	MODEL	DESCRIPTION	REGN	STATE	OPER	FTL	DAM *
88-01-05	S-76A	Main rotor blades hit helipad takeoff	N -	OH	EMS	-	M
01-14	B-206	Passenger struck by tail rotor	N3NJ	NJ	Police	-	M
01-18	SA-341G	Attempted VFR flight in deteriorating wx.	N61DR	AZ	Pers	-	S
01-20	SA-350	Crashed while repositioning on pad	N26TM	UT	EMS	-	D
01-20	AS-355F	Lded.hard during run on ldg. Training	N5800F	TX	Comm	-	S
01-24	H-500	Lded.short, practice autorotation	N8366F	CA	Comm	-	S
01-28	B-204B	Crash landing following power loss	N8154F	AL	Comm	-	D
02-11	B-206	Tail rotor hit object landing in whiteout	N -	Cda	Comm	-	S
02-16	B-206B	Wire strike during photo flight	N21197	OH	Comm	-	S
02-16	H-500	Tail rotor failure Crash landing	N5093Y	MD	Comm	-	D
02-18	B-206A	Power loss hover. Hard landing	N7981J	OR	Comm	-	S
02-23	AS-350	Struck trees landing in marginal wx. night	N-	Cda	Comm	-	S
02-24	H-500	Tail rotor, gear box separation in flight	N5093	PA	Comm	-	D
02-28	B-206	Power loss during landing. Hard landing	N -	Cda	Comm	-	S
03-10	B-206B	Crashed during engine run up	N13Q	IL	Comm	-	S
03-17	B-206L	Uncontrolled descent into the ground	N5759H	IL	Comm	-	D
03-17	B 206B	Acft. slid off helo pad landing	N2995W	HI	Comm	-	S
03-18	B-206L	Crash landed on road. VMC in IMC	N5759H	IL	Comm	-	S
03-19	S-76A	While hovering,seagull hit windscreen	N2215C	NY	Corp	-	M
03-24	B-206B	Acft. rolled over following hard ldg.	N352BT	MA	Pers	-	S
03-24	S-76A	Passenger struck by main rotor	N1547N	LA	Comm	-	N
03-29	B-206L	Hard ldg. Practice auto rotation. Tr.	N114FH	PA	Pers	-	S
04-02	SA-316B	Collective control malf. emerg. ldg.	N72590	UT	EMS	-	S
04-09	A-109A	Hard landing following control malf.	N33SV	SD	EMS	-	S
05-01	B-206B	Power/RPM loss app. Hard ldg. in river	N7094J	NY	Comm	1	D
05-12	AS-355F	Tail rotor assembly separation, cuise flt.	N101NC	NC	EMS	-	M
05-12	B-206	Practice autorotation,late abort,lded short	N39071	NY	Police	-	S
05-13	H-500	During ldg, acft. went into violent turn	N4963T	HI	Comm	-	S
05-17	H-500	Pilot lost ground ref. in blowing dust, TO	N5258C	OR	Bus	-	S
05-21	B-222UT	Aircraft crashed ldg. Circumstances unk.	H-18	BWI	Gov't	1	D
05-29	B-206B	Control lost during initial climb. Ditched	N83203	HI	Comm	-	S
06-18	B-206	Inflight main rotor, tail separation	N114FH	PA	Comm	2	D
06-27	B-206L	Power/RPM loss. Hard ldg. autorotation	N2611	LA	Comm	-	S

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ROBERT E. BREILING ASSOCIATES

1988 COMMUTER AIR CARRIER ACCIDENTS/INCIDENTS

DATE	MODEL	CARRIER	DESCRIPTION	STATE	FTL	DAM *
88-01-18	ATR-42	Simmons Air	Fire warning enroute. Shut down, landed no further incident	IA	-	D
01-19	SA-227	Trans Colorado	Crashed during instrument approach in IMC	CO	7+2	D
01-20	SA-227	Trans Colorado	Collided with deer during takeoff at 80 kts. TO aborted	TX	-	N
01-26	BE-1900	Business Express	Emerg. ldg. following control malf. Rag found binding control	PA	-	N
01-29	SA-227	Wings West	Lost engine power during landing touchdown in turbulence	CA	-	N
02-02	SAAB-340	Express Airlines	Uncontained engine failure during prop reverse landing	TN	-	S
02-04	BE-99	Bar Harbour	Near mid air with CE-172 during landing at Orlando Intl. Apt.	FL	-	N
02-09	BAE-3101	Jetstream Int'l.	Aircraft crashed during practice instrument approach	OH	0+3	D
02-16	CE-441	Rocky Mountain	Near miss due ATC operational error	CO	-	N
02-19	SA-227	Air Virginia	Crashed into lake following TO in IMC. 100 ft.obs. vis. 0.13mi.	NC	10+2	D
02-19	BAE-146	Air Wisconsin	Near miss with NWA 747 departing O'Hare	IL	-	N
02-26	BE-1900	Brockway Air	Hit U.S. Air aircraft during taxi	NY	-	S
03-03	HS-748	Air BVI	Damaged by jet blast from AA 727 while awaiting departure	VI	-	S
03-25	BAE-3101	Chaparral	Engine failure in flight. Prop would not feather. Emerg ldg.	TX	-	S
04-15	DHC-8	Horizon Air	Control lost during emerg.ldg. with uncontrolled engine fire	WA	-	D
05-16	SA-226	Atlantis Air	Landed with landing gear in the retracted position	GA	-	S

Source: Robert E. Breiling Associates

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NOTE

ONLY THE FOLLOWING PAGES OF THIS

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